



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

Certified Mail: 7001 0360 0000 3641 4137
Return Receipt Requested

August 2, 2001

Chris Shimabukuro
Assistant Operating Officer
Estate of Samuel Damon
First Hawaiian Center
999 Bishop Street, Suite 2800
Honolulu, HI 96813

OPTIONAL FORM 99 (7-90)

FAX TRANSMITTAL

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To	Chris Shimabukuro	From	L. Hanusiak
Dept./Agency	Estate of Samuel Damon	Phone #	415-744-2213
Fax #	808-536-3729	Fax #	415-744-1916
NSN 7540-01-317-7368		5099-101	GENERAL SERVICES ADMINISTRATION

Re: Notice Letter and Administrative Order on Consent
Hawaii Staging & Lighting/Funtastic Party Rental (Formerly Vermiculite of Hawaii),
842 A Mapunapuna Street, Honolulu, Hawaii 96819

Dear Ms. Shimabukuro:

The purpose of this letter is three fold. One, the United States Environmental Protection Agency ("EPA") wants to inform you that releases or threatened releases of hazardous substances, specifically asbestos-contaminated vermiculite, have been observed at your facility which warrant immediate response activities. Two, as the current owner or operator of the facility, you are a potentially responsible party and may be liable for the cost of these response activities. And three, EPA is requesting that you perform these activities voluntarily pursuant to an Administrative Order on Consent ("AOC").

As stated in prior correspondence and telephone conversations, EPA Region 9 has been performing a region wide assessment of possible releases or threatened releases of asbestos contaminated vermiculite ore originating from the Libby Mine in Libby, Montana. As a brief historical summary, vermiculite was discovered in Libby, Montana in 1881. From the mid 1920's through 1990, the vermiculite mine in Libby operated and may have produced 80% of the world's supply of vermiculite. Unfortunately, the vermiculite from the Libby mine is contaminated with a toxic form of naturally-occurring asbestos called tremolite-actinolite asbestiform mineral fibers.

In response to local concern about asbestos-contaminated vermiculite in the Libby area, EPA Region 8 sent an Emergency Response Team to Libby, Montana in late November 1999. The Team immediately began assessing the situation and collecting information. Since that time,

EPA Region 8 has been actively addressing releases associated with asbestos contaminated vermiculite in Libby. EPA is also concerned about the possible exposures and health effects in every facility which received vermiculite from the Libby mine.

As part of a nationwide investigation to determine the level of exposure which may or may not exist at facilities which received this vermiculite ore from Libby, all EPA regional offices have been tasked to perform preliminary assessments and site investigations (PA/SI) at facilities which received Libby vermiculite. As you know, your facility once received Libby vermiculite and therefore, EPA requested access to perform a PA/SI at your facility.

EPA appreciates your cooperation thus far in granting EPA the access necessary to perform the PA/SI at your facility. As a result of the PA/SI performed at your facility, EPA did find asbestos contaminated vermiculite which requires an emergency removal response action. The PA/SI report is attached to this letter.

Under the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), 42 U.S.C. § 9607(a), et seq., potentially responsible parties (PRPs) for the costs incurred to address releases of hazardous substances under CERCLA § 107(a), 42 U.S.C. § 9607(a), include current and former owners and operators of facilities at which hazardous substances were disposed. EPA has evaluated information obtained through its investigation of the Site, and has determined that you are a PRP as a current owner and operator of the Site. Under Sections 106(a) and 107(a) of CERCLA, 42 U.S.C. Sections 9606(a) and 9607(a) as amended, and other laws, you may be obligated to finance or undertake actions that EPA determines are necessary to protect public health or welfare or the environment and may be liable for all costs incurred by the Government in responding to any release or threatened release at the Site. Such costs may include, but are not limited to, expenditures for investigation, planning, response oversight and enforcement activities.

At this time, EPA is requesting that you perform and finance those response activities that EPA determines are necessary at the Site pursuant to an Administrative Order on Consent (AOC). Principally, the Agency will be requiring response actions addressing asbestos contamination found in soils at your facility; however, the results of the PA/SI also indicate airborne releases of vermiculite related asbestos within the buildings. Please be aware that EPA is sharing the PA/SI reports with the Hawaii Department of Health and the Agency for Toxic Substances & Disease Registry.

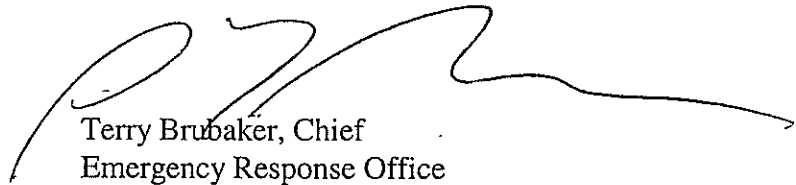
EPA recommends that you take all asbestos contaminated vermiculite found at your facility very seriously. Although EPA and other agencies have not been able to quantify the magnitude of the risk to human health which asbestos related vermiculite may cause to human health, the Agency deems the potential for harm significant. In the town of Libby, Montana, the Agency for Toxic Substances and Disease Registry (ATSDR) screened over 3,000 citizens exposed to the asbestos contaminated vermiculite in February 2001. Preliminary results from these screenings

showed nearly one out of three people tested has a lung abnormality. (For additional information related to the Libby, Montana Site and EPA's response action there, you may access the Libby webpage at: www.epa.gov/region08/superfund/libby.)

If you are willing to perform the response work necessary to address the asbestos related releases at your facility pursuant to an AOC, notify Lisa Hanusiak, Investigator, at 415-744-2213, or Thanne Cox, Assistant Regional Counsel, at 415-744-1351, within 48 hours of receipt of this notice letter. Please be aware that should you determine that you are not willing to perform these activities pursuant to an AOC, EPA may either issue a Unilateral Order or perform these activities and seek reimbursement of response costs at a later date.

Thank you for your attention to this matter.

Sincerely,



Terry Brubaker, Chief
Emergency Response Office

Enclosure

bcc: Thanne Cox, ORC
Lisa Hanusiak, SFD-6
Bob Mandel, OSC/SFD-6

cc: Hawaii DOH
Agency for Toxic Substances & Disease Registry

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